

Bell Atlantic  
1300 I Street NW, Suite 400W  
Washington, DC 20005

Kenneth Rust  
Director, Federal Regulatory Affairs

EX PARTE OR LATE FILED



August 28, 1998

**Ex Parte**

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
1919 M Street, NW  
Room 222  
Washington, DC 20554

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AUG 28 1998

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

**ORIGINAL**

Re: **CC Docket No 96-45**

Dear Ms. Salas:

Yesterday, Vin Callahan, Dan Harris, Herb Straus, and I, representing Bell Atlantic, met with Steve Burnett, Paula Cech, Bryan Clopton, Katie King, and Jeff Prisbrey of the Common Carrier Bureau's Universal Service Division regarding the item captioned above. The attached material was used during the meeting, which is submitted in response to a request from FCC staff.

Any questions on this filing should be directed to me at either the address or the telephone number shown above.

Sincerely,

A handwritten signature in cursive script that reads "Ken. Rust".

Attachment

cc: S. Burnett  
P. Cech  
B. Clopton  
K. King  
J. Prisbrey

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LIST ABCDE

## *Expense Development - Expense-related Costs*

# Network Expense Factors

Network Expense Factors	Types of Expense/Adjustments
"M" Factors	<ul style="list-style-type: none"><li>• Re-arrangement Expenses</li></ul>
"R" Factors	<ul style="list-style-type: none"><li>• Repair Expenses</li></ul>
Testing Factors	<ul style="list-style-type: none"><li>• All Testing Expenses (Excl. Service Order Testing)</li></ul>
Network Loading Factors	<ul style="list-style-type: none"><li>• Power Expenses</li><li>• Provisioning Expenses</li><li>• Network Administration Expenses</li><li>• Plant Operations Administration Expenses</li><li>• Engineering Expenses</li><li>• Offset by Non-Recurring Revenues for SO related expenses</li></ul>

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*Expense Development - Expense-related Costs*

**Right-To-Use Expense Factors**

Identify those expenses associated with licensing fees for specific plant categories

Develop from Right-To-Use portion of Re-arrangement Expenses

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**New York**  
**1998 TSLRIC Network Annual Cost Factors (1 Yr Study - 1998)**  
**Network Expenses inflated from 1997 basis**

Ln	Plant	Account	"M"	"R"	Testing	Combined Ntwk Ldg	Combined Ntwk Fctr	Labor Inflation & Productivity Adj Fctr	Adjusted Ntwk ACF	RTU ACF
	A	B	C	D	E	F	G=c+d+e+f	H	I=G*H	L
1	ESS Digital	2211	0.0369	0.0657	0.0112	0.0284	0.1423	0.9653	0.1373	0.0004
2	ESS Analog	2212	0.0159	0.0316	0.0112	0.0284	0.0871	0.9653	0.0841	0.0158
3	Circuit Digital	2232.1	0.0067	0.0145	0.0112	0.0284	0.0808	0.9653	0.0587	0.0010
4	Circuit Analog	2232.2	0.0065	0.0414	0.0112	0.0284	0.0875	0.9653	0.0845	0.0000
5	Poles	2411	0.0025	0.0036	0.0000	0.0077	0.0138	0.9599	0.0132	0.0000
6	Aerial Copper Cable	2421.X1	0.0268	0.0639	0.0112	0.0077	0.1095	0.9566	0.1048	0.0000
7	Aerial Fiber Cable	2421.X2	0.0029	0.0015	0.0112	0.0077	0.0234	0.9566	0.0224	0.0000
8	Undergd Copper Cable	2422.X1	0.0064	0.0272	0.0112	0.0077	0.0525	0.9566	0.0503	0.0000
9	Undergd Fiber Cable	2422.X2	0.0013	0.0013	0.0112	0.0077	0.0215	0.9566	0.0206	0.00000
10	Buried Copper Cable	2423.X1	0.0039	0.0279	0.0112	0.0077	0.0507	0.9566	0.0485	0.0000
11	Buried Fiber Cable	2423.X2	0.0027	0.0004	0.0112	0.0077	0.0220	0.9566	0.0210	0.0000
12	Conduitt Systems	2441	0.0221	0.0032	0.0000	0.0077	0.0329	0.9566	0.0315	0.0000

